

REPORT OF THE COMMITTEE ON ZONING AND PLANNING

Voting Members:

Ikaika Anderson, Chair; Breene Harimoto, Vice-Chair;
Ann H. Kobayashi, Ron Menor, Kymberly Marcos Pine

Committee Meeting Held
February 6, 2014

Honorable Ernest Y. Martin
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Zoning and Planning, to which was referred Resolution 14-30 entitled:

"RESOLUTION ACCEPTING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY AND COUNTY OF HONOLULU AND CP KAM PROPERTIES, LLC FOR THE LIVE, WORK, PLAY AIEA PROJECT AND AUTHORIZING THE CITY AND COUNTY OF HONOLULU TO ENTER INTO THE SAME,"

as transmitted by Departmental Communication No. 59 from the Department of Planning and Permitting (DPP) dated January 31, 2014, reports as follows:

The purpose of Resolution 14-30 is to approve the Development Agreement (DA) between the City and County of Honolulu and CP Kam Properties, LLC (the "Applicant"), for the Live, Work, Play Aiea Project and authorize the City to enter into the same, in connection with the zone change being concurrently considered by the Council as Bill 68 (2013).

In D-59 (2014), the DPP reports that Live, Work, Play Aiea (the "Project") is a mixed use project which will combine residential, commercial, and gathering areas/open spaces in a urban village on about 13.99 acres of land at 98-850 Moanalua Road, Oahu. The Project will include up to 1,500 dwelling units and commercial uses such as retail areas, offices, limited-service hotel or senior-oriented medical service, residential, and convalescent care facilities.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON FEB 19 2014

COMMITTEE REPORT NO. 45

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Your Committee finds that the Development Agreement is subject to the provisions of ROH Chapter 33.

Your Committee finds that the DPP, after a public hearing held on January 21, 2014, recommends approval of the Development Agreement subject to the following revisions to Exhibit E ("Public Benefits and Timing"):

1. Page 1 of 16 -- Delete sentence from the Affordable Housing section which states:

"[The affordable housing requirement may be satisfied by payment of in-lieu fees for no more than five percent (5%) of the affordable housing requirement.]"

2. Page 15 of 16 -- Streetscape improvements along Kaonohi Street to Kamehameha Highway. Revise the language as follows:

"Provide streetscape improvements within the existing City right-of-way and existing curb line, which [may] shall provide for improved sidewalks, [street trees,] crosswalks, a dedicated bike lane mauka bound and sharrows makai bound, along Kaonohi Street, from the boundary of the Project site to the boundary of Kamehameha Highway (State right-of-way) and in any event within the City right-of-way. Improvements may also include street trees where feasible."

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3. Add new topic relating to updates to the Aiea Neighborhood Board.

The Applicant shall be required to update the Board, on an annual basis, on the development of the Project. This update shall occur until the termination of the DA.

The draft DA attached to the Resolution would vest in the Applicant for a period of ten years, subject to extension by mutual agreement, the right to develop the Project under certain City land use regulations (specified in Exhibit B) in effect on the effective date of the Agreement, notwithstanding subsequent changes to those regulations.

In return for this "freezing" of regulations, the Applicant would provide the following "public benefits" set forth in Exhibit E:

- A. Affordable Housing.

Provide affordable housing for the Project in accordance with 1) the City's current affordable housing rules, which require, among other things, that no less than 30 percent of the total number of dwelling units in the project be affordable to households with incomes not exceeding 140 percent of the median income, with no less than 20 percent of the total number being affordable to households with incomes not exceeding 120 percent of the median income, and with no less than 10 percent of the total number being affordable to households with incomes not exceeding 80 percent of the median income, or 2) any alternative or amended affordable housing rules that may be adopted by the City, subject to the following:

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One-half of the required affordable housing units for each phase shall be located within the Project; the remaining balance of the required units may be provided off-site within one-half mile of the Pearlridge Transit Station.

Five percent of the affordable housing requirement may be satisfied by payment of in-lieu fees. Your Committee notes that the Planning Commission, in its review of the accompanying zone change proposal (introduced in the Council as Bill 68 (2013), recommended, among other things, removal of the in-lieu provision from the draft DA. The DPP states that it has no objections to the removal.

B. Master Plan.

Develop the Project in accordance with the Master Plan attached to the DA, as the same may be revised in accordance with the DA.

C. Site Design.

Review and approval by the DPP of elements relating to "connectivity", building heights and orientation, pedestrian-friendly ground level and streets, entry gateways, building architecture, and landscaping.

D. Transportation.

Compliance with transportation-related requirements, including the completion of a construction management plan, traffic management plan, updated traffic impact analysis reports, and the construction of street and other traffic improvements.

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E. Water.

Compliance with water-related requirements, including water conservation measures and improvements for high-rise buildings.

F. Education.

Compliance with the State school impact fee requirements.

G. Streetscape improvements along Kaonohi Street to Kamehameha Highway.

Provide improvements which support a friendlier pedestrian and biking experience, within the City right-of-way along Kaonohi Street, from the boundary of the project site to the boundary of Kamehameha Highway (State right-of-way).

H. Subsidize bus/transit passes.

For 15 to 20 years, the retail tenant(s) will provide 30 bus/transit passes to employees.

I. Park and bus transit facility.

Provide \$50,000 for a conceptual study for a proposed park and bus transit facility makai of the rail transit station.

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J. Meeting room and public restrooms.

Provide a meeting room, for a nominal charge, on the project site for community groups and restrooms for users of the meeting room and public open space.

K. Contribution to non-profit organizations.

Provide contributions of no less than \$25,000 per year for 20 years to non-profit organizations, which provide services for the benefit of the Aiea-Pearl City community, through the creation of a charitable contribution program.

At your Committee's meeting on February 6, 2014, representatives of the Applicant discussed the Project and the draft DA. One individual submitted testimony in support of the resolution and Bill 68 (2013). Testimony in support of the resolution was received from Hawaii Construction Alliance, Horita Realty, The Plumbers and Fitters United Association Local 675, The Pacific Resource Partnership, and Hawaii Operating Engineers Industry Stabilization Fund. Comments were offered by the following organizations: Glazier Union LU 1889; Hawaii Building and Construction Trades Council; International Union of Painters and Allied Trades, District Council 50; and Hawaii Laborers Union. The State Department of Education submitted comments on the Resolution and Bill 68 (2013).

Your Committee wishes to ensure that the draft DA and the Project receive full public and Council review, and therefore recommends that the Resolution be scheduled for a public hearing along with Bill 68 (2103).

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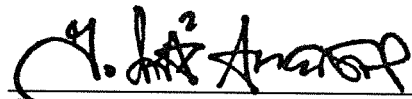
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Your Committee on Zoning and Planning recommends that Resolution 14-30 be scheduled for public hearing and be referred back to Committee. (Ayes: Anderson, Harimoto, Menor, Pine – 4; Noes: None; Excused: Kobayashi - 1.)

Respectfully submitted,



Committee Chair

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